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COMPARE2.WK4

	1993	1994
Toll	0.9199	0.9090
Interstate End User	1.2703	1.3093
Interstate Switched	0.6484	0.6222
Interstate Special	0.8759	0.8252
Miscellaneous	1.2073	1.2403

Quantity Indexes

Local	42,906,539,221	44,795,312,133
Intrastate Access	7,473,141,377	7,983,814,014
Toll	13,726,793,010	13,542,462,717
Interstate End User	4,931,211,103	5,072,492,560
Interstate Switched	17,273,354,783	18,700,895,378
Interstate Special	2,749,890,624	3,068,860,205
Miscellaneous	7,399,933,792	7,416,849,634

<u>Quantity Growth</u>	1993	1994
Local	4.35%	4.31%
Intrastate Access	6.49%	6.61%
Toll	1.90%	-1.35%
Interstate End User	3.09%	2.82%
Interstate Switched	5.68%	7.94%
Interstate Special	4.00%	10.97%
Miscellaneous	2.11%	0.23%

TOTAL OUTPUT	4.01%	3.82%
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TFP AND X FACTOR	1993	1994
TFPRP-11		

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COMPARE2.WK4

	1993	1994
TFP Growth	3.70%	2.43%
US TFP Growth	0.62%	0.60%
TFP Differential	3.08%	1.83%
Input Price Growth	5.12%	2.78%
US Input Price Growth	3.55%	3.29%
Input Price Differential	1.58%	-0.51%
X Factor	1.50%	2.34%

Depreciation Compariso

	1992	1993
Depreciation & Amortiza	13,822,882,000	14,185,565,000
AT&T Depr Reserve	78,054,148,000	84,067,857,000
First Difference	3,480,059,000	6,013,709,000
	25.18%	42.39%

TAB C

**TFPRP-11 COMPANY
TFPRP-7 COMPANY [RBOCs]**

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Revenues (Interstate Adjusted)

	Local	Toll	Intra Access	End User	Switched
1988	29226988000	10668226000	4326751000	5,321,521,131	7,945,228,869
1989	29973157000	10549257000	4318962000	4,376,378,460	9,114,888,540
1990	30699085000	10577992000	4436737000	4,248,395,841	9,026,496,159
1991	32059008000	10066039000	4456237000	4,002,502,589	9,339,804,411
1992	33359990000	9718496000	4506685000	3,450,427,259	10,163,714,741
1993	34598957000	9849156000	4647675000	2,935,888,605	11,307,270,395
1994	35758637000	9526791000	4829192000	2,350,283,803	12,533,161,197

Revenue Shares

	Local	Toll	Interstate	
1988	0.4869	0.2498	0.2633	1.0000
1989	0.4947	0.2454	0.2599	1.0000
1990	0.5016	0.2453	0.2530	1.0000
1991	0.5167	0.2341	0.2492	1.0000
1992	0.5266	0.2245	0.2489	1.0000
1993	0.5287	0.2215	0.2497	1.0000
1994	0.5320	0.2136	0.2544	1.0000

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COMPARE2.WK4

Revenues (Interst

	Special	Total "Regulated"	"Toll"	"Interstate"
1988	2,539,698,000	60,028,413,000	14994977000	15806448000
1989	2,253,922,000	60,586,565,000	14868219000	15745189000
1990	2,209,064,000	61,197,770,000	15014729000	15483956000
1991	2,119,037,000	62,042,628,000	14522276000	15461344000
1992	2,153,565,000	63,352,878,000	14225181000	15767707000
1993	2,097,997,000	65,436,944,000	14496831000	16341156000
1994	2,217,125,000	67,215,190,000	14355983000	17100570000

Revenue Shares

1988
1989
1990
1991
1992
1993
1994

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COMPARE2.WK4

**TFPRP
RBOC Only**

TFPRP-7	1988	1989	1990
<u>Cost</u>			
Capital	35,315,128,425	33,580,286,133	35,397,968,431
Labor	18,669,882,000	18,647,357,000	18,998,366,000
MRS	14,492,320,000	16,093,355,000	16,614,863,000
TOTAL	68,477,330,425	68,320,998,133	71,011,197,431
		-0.23%	3.86%
<u>Average of Shares</u>			
Capital		50.36%	49.50%
Labor		27.28%	27.02%
MRS		22.36%	23.48%
<u>Quantity Growth</u>			
Capital		3.80%	2.36%
Labor		-1.93%	-2.55%
MRS		6.08%	-1.25%
Total Input Quantity		2.75%	0.19%
<u>Price Growth</u>			
Capital		-8.84%	2.91%
Labor		1.81%	4.41%
MRS		4.40%	4.43%
Total Input Price		-2.98%	3.67%

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COMPARE2.WK4

**TFPRP
RBOC Only**

TFPRP-7 1988 1989 1990

OUTPUT

TFPRP-7

BOOKED REVENUES 1988 1989 1990

Local	29,226,988,000	29,973,157,000	30,699,085,000
Intrastate Access	4,326,751,000	4,318,962,000	4,436,737,000
Toll	10,668,223,000	10,549,257,000	10,577,992,000
Interstate End User	3,604,221,000	4,398,692,000	4,679,142,000
Interstate Switched	9,662,529,000	9,092,575,000	8,595,750,000
Interstate Special	2,539,698,000	2,253,922,000	2,209,064,000
Miscellaneous	5,730,338,000	6,211,748,000	6,463,212,000
Total	65,758,748,000	66,798,313,000	67,660,982,000

Average of Shares

Local	0.447	0.451
Intrastate Access	0.065	0.065
Toll	0.160	0.157
Interstate End User	0.060	0.068
Interstate Switched	0.142	0.132
Interstate Special	0.036	0.033
Miscellaneous	0.090	0.094
Total	1.000	1.000

Price Indexes

Local	1.0000	0.9754	0.9472
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COMPARE2.WK4

TFPRP

RBOC Only

TFPRP-7	1988	1989	1990
Intrastate Access	1.0000	1.0017	0.9840
Toll	1.0000	0.9839	0.9662
Interstate End User	1.0000	1.1785	1.2256
Interstate Switched	1.0000	0.8567	0.7518
Interstate Special	1.0000	0.9237	0.9139
Miscellaneous	1.0000	1.0450	1.0924

Quantity Indexes

Local	29,226,988,000	30,730,292,036	32,409,267,542
Intrastate Access	4,326,751,000	4,311,805,437	4,508,993,822
Toll	10,668,223,000	10,721,781,823	10,947,522,038
Interstate End User	3,604,221,000	3,732,510,386	3,817,860,249
Interstate Switched	9,662,529,000	10,613,953,576	11,433,441,661
Interstate Special	2,539,698,000	2,440,180,007	2,417,101,020
Miscellaneous	5,730,338,000	5,944,406,947	5,916,784,565

Quantity Growth

	1988	1989	1990
Local		5.02%	5.32%
Intrastate Access		-0.35%	4.47%
Toll		0.50%	2.08%
Interstate End User		3.50%	2.26%
Interstate Switched		9.39%	7.44%
Interstate Special		-4.00%	-0.95%
Miscellaneous		3.67%	-0.47%

TOTAL OUTPUT

4.02% 4.07%

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COMPARE2.WK4

TFPRP

RBOC Only

TFPRP-7	1988	1989	1990
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TFP AND X FACTOR

TFPRP-7	1988	1989	1990
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TFP Growth		1.28%	3.89%
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US TFP Growth		-0.26%	-0.21%
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TFP Differential		1.54%	4.10%
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Input Price Growth		-2.98%	3.67%
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US Input Price Growth		4.14%	4.22%
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Input Price Differential		-7.11%	-0.55%
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X Factor		8.65%	4.65%
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Summary

1988-94	1988-94	1988-94
RBOC Only	TFPRP-11	Difference

Total Output	3.4%	3.5%	-0.1%
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Total Input	0.7%	0.7%	-0.0%
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LEC TFP	2.8%	2.9%	-0.1%
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TFP Differential	2.6%	2.7%	-0.1%
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LEC Input Price	2.9%	2.9%	-0.1%
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Input Price Differential	-0.9%	-0.9%	-0.1%
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X Factor	3.5%	3.5%	-0.1%
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COMPARE2.WK4

TFPRP
RBOC Only

TFPRP-7	1991	1992	1993	1994	Avg 88-94	Avg 89-94
<u>Cost</u>						
Capital	36,739,616,328	40,162,403,051	42,397,307,420	43,672,405,351		
Labor	19,576,237,000	19,862,205,000	21,027,726,000	21,625,328,000		
MRS	17,825,034,000	17,013,535,000	17,551,114,000	19,286,027,000		
TOTAL	74,140,887,328	77,038,143,051	80,976,147,420	84,583,760,351		
	4.31%	3.83%	4.99%	4.36%	3.5%	4.3%
<u>Average of Shares</u>						
Capital	49.70%	50.84%	52.25%	51.99%		
Labor	26.58%	26.09%	25.88%	25.77%		
MRS	23.72%	23.06%	21.88%	22.24%		
<u>Quantity Growth</u>						
Capital	2.73%	2.40%	2.28%	2.21%	2.6%	2.4%
Labor	-5.11%	-4.18%	-2.28%	-5.26%	-3.6%	-3.9%
MRS	3.08%	-7.78%	0.18%	6.73%	1.2%	0.2%
 Total Input Quantity	 0.73%	 -1.67%	 0.64%	 1.29%	 0.7%	 0.2%
<u>Price Growth</u>						
Capital	0.99%	6.51%	3.13%	0.76%	0.9%	2.9%
Labor	8.11%	5.64%	7.98%	8.06%	6.0%	6.8%
MRS	3.95%	3.13%	2.93%	2.69%	3.6%	3.4%
 Total Input Price	 3.59%	 5.50%	 4.34%	 3.07%	 2.9%	 4.0%

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COMPARE2.WK4

**TFPRP
RBOC Only**

TFPRP-7	1991	1992	1993	1994	Avg 88-94	Avg 89-94
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OUTPUT

TFPRP-7

BOOKED REVENUES	1991	1992	1993	1994	Avg 88-94	Avg 89-94
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Local	32,059,008,000	33,359,990,000	34,598,957,000	35,758,637,000		
Intrastate Access	4,456,237,000	4,506,685,000	4,647,675,000	4,829,192,000		
Toll	10,066,039,000	9,718,496,000	9,849,156,000	9,526,791,000		
Interstate End User	4,828,177,000	4,963,262,000	5,244,094,000	5,589,662,000		
Interstate Switched	8,514,130,000	8,650,880,000	8,999,065,000	9,293,783,000		
Interstate Special	2,119,037,000	2,153,565,000	2,097,997,000	2,217,125,000		
Miscellaneous	6,620,988,000	6,320,326,000	6,642,605,000	6,934,465,000		
Total	68,663,616,000	69,673,204,000	72,079,549,000	74,149,655,000		

Average of Shares

Local	0.460	0.473	0.479	0.481
Intrastate Access	0.065	0.065	0.065	0.065
Toll	0.151	0.143	0.138	0.133
Interstate End User	0.070	0.071	0.072	0.074
Interstate Switched	0.126	0.124	0.125	0.125
Interstate Special	0.032	0.031	0.030	0.030
Miscellaneous	0.096	0.094	0.091	0.093
Total	1.000	1.000	1.000	1.000

Price Indexes

Local	0.9510	0.9486	0.9468	0.9377
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COMPARE2.WK4

TFPRP**RBOC Only**

	1991	1992	1993	1994	Avg 88-94	Avg 89-94
TFPRP-7						
Intrastate Access	0.9271	0.9067	0.8803	0.8459		
Toll	0.9350	0.9189	0.9031	0.8881		
Interstate End User	1.2231	1.2385	1.2709	1.3183		
Interstate Switched	0.7060	0.6772	0.6698	0.6433		
Interstate Special	0.9377	0.9342	0.8759	0.8252		
Miscellaneous	1.1364	1.1724	1.2073	1.2403		

Quantity Indexes

Local	33,710,422,750	35,167,375,149	36,544,718,363	38,132,592,619		
Intrastate Access	4,806,863,797	4,970,319,217	5,279,686,004	5,709,090,537		
Toll	10,765,649,199	10,576,012,678	10,905,440,640	10,726,925,634		
Interstate End User	3,947,505,177	4,007,359,897	4,126,384,431	4,239,915,072		
Interstate Switched	12,059,934,439	12,773,568,984	13,434,635,676	14,446,356,006		
Interstate Special	2,259,767,067	2,305,143,388	2,395,280,188	2,686,724,569		
Miscellaneous	5,826,469,440	5,390,751,899	5,501,982,388	5,591,139,319		

Quantity Growth

	1991	1992	1993	1994	Avg 88-94	Avg 89-94
Local	3.94%	4.23%	3.84%	4.25%	4.4%	4.3%
Intrastate Access	6.40%	3.34%	6.04%	7.82%	4.6%	5.6%
Toll	-1.68%	-1.78%	3.07%	-1.65%	0.1%	0.0%
Interstate End User	3.34%	1.50%	2.93%	2.71%	2.7%	2.5%
Interstate Switched	5.33%	5.75%	5.05%	7.26%	6.7%	6.2%
Interstate Special	-6.73%	1.99%	3.84%	11.48%	0.9%	1.9%
Miscellaneous	-1.54%	-7.77%	2.04%	1.61%	-0.4%	-1.2%
TOTAL OUTPUT	2.52%	2.12%	3.80%	3.93%	3.4%	3.3%

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COMPARE2.WK4

TFPRP						
RBOC Only						
TFPRP-7	1991	1992	1993	1994	Avg 88-94	Avg 89-94
TFP AND X FACTOR						
TFPRP-7	1991	1992	1993	1994	Avg 88-94	Avg 89-94
TFP Growth	1.79%	3.78%	3.15%	2.64%	2.8%	3.1%
US TFP Growth	-1.04%	1.49%	0.62%	0.60%	0.2%	0.3%
TFP Differential	2.83%	2.30%	2.54%	2.04%	2.6%	2.8%
Input Price Growth	3.59%	5.50%	4.34%	3.07%	2.9%	4.0%
US Input Price Growth	2.91%	4.61%	3.55%	3.29%	3.8%	3.7%
Input Price Differential	0.68%	0.89%	0.80%	-0.22%	-0.9%	0.3%
X Factor	2.15%	1.41%	1.74%	2.27%	3.5%	2.4%

Summary	1989-94	1989-94	1989-94
	RBOC Only	TFPRP-11	Difference
Total Output	3.3%	3.3%	0.0%
Total Input	0.2%	0.2%	0.0%
LEC TFP	3.1%	3.1%	-0.0%
TFP Differential	2.8%	2.8%	-0.0%
LEC Input Price	4.0%	4.1%	-0.1%
Input Price Differential	0.3%	0.4%	-0.1%
X Factor	2.4%	2.4%	0.0%

TAB D

REVENUE = COST

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COMPARE2.WK4

TFPRP- Rev=Cost

Rev = Cost

TFPRP-7	1988	1989	1990
<u>Cost</u>			
Capital	26,866,208,000	25,845,853,000	25,584,541,000
Labor	18,669,882,000	18,647,357,000	18,998,366,000
MRS	14,492,320,000	16,093,355,000	16,614,863,000
TOTAL	60,028,410,000	60,586,565,000	61,197,770,000
		0.93%	1.00%

Average of Shares

Capital	43.71%	42.23%
Labor	30.94%	30.91%
MRS	25.35%	26.86%
	1.00	1.00

Quantity Growth

Capital	3.80%	2.36%
Labor	-1.93%	-2.55%
MRS	6.08%	-1.25%

Total Input Quantity	2.61%	-0.12%
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Price Growth

Capital	-7.68%	-3.38%
Labor	1.81%	4.41%
MRS	4.40%	4.43%

Total Input Price	-1.68%	1.13%
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COMPARE2.WK4

TFPRP- Rev=Cost

Rev = Cost

TFPRP-7 OUTPUT	1988	1989	1990
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TFPRP-7

<u>BOOKED REVENUES</u>	1988	1989	1990
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Local	29,226,988,000	29,973,157,000	30,699,085,000
Intrastate Access	4,326,751,000	4,318,962,000	4,436,737,000
Toll	10,668,223,000	10,549,257,000	10,577,992,000
Interstate End User	3,604,221,000	4,398,692,000	4,679,142,000
Interstate Switched	9,662,529,000	9,092,575,000	8,595,750,000
Interstate Special	2,539,698,000	2,253,922,000	2,209,064,000
Miscellaneous	5,730,338,000	6,211,748,000	6,463,212,000

Total	65,758,748,000	66,798,313,000	67,660,982,000
Less Misc	60,028,410,000	60,586,565,000	61,197,770,000

Average of Shares

Local	0.447	0.451
Intrastate Access	0.065	0.065
Toll	0.160	0.157
Interstate End User	0.060	0.068
Interstate Switched	0.142	0.132
Interstate Special	0.036	0.033
Miscellaneous	0.090	0.094

Total	1.000	1.000
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Price Indexes

Local	1.0000	0.9754	0.9472
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COMPARE2.WK4

TFPRP- Rev=Cost

Rev = Cost

TFPRP-7	1988	1989	1990
Intrastate Access	1.0000	1.0017	0.9840
Toll	1.0000	0.9839	0.9662
Interstate End User	1.0000	1.1785	1.2256
Interstate Switched	1.0000	0.8567	0.7518
Interstate Special	1.0000	0.9237	0.9139
Miscellaneous	1.0000	1.0450	1.0924

Quantity Indexes

Local	29,226,988,000	30,730,292,036	32,409,267,542
Intrastate Access	4,326,751,000	4,311,805,437	4,508,993,822
Toll	10,668,223,000	10,721,781,823	10,947,522,038
Interstate End User	3,604,221,000	3,732,510,386	3,817,860,249
Interstate Switched	9,662,529,000	10,613,953,576	11,433,441,661
Interstate Special	2,539,698,000	2,440,180,007	2,417,101,020
Miscellaneous	5,730,338,000	5,944,406,947	5,916,784,565

Quantity Growth

	1988	1989	1990
Local		5.02%	5.32%
Intrastate Access		-0.35%	4.47%
Toll		0.50%	2.08%
Interstate End User		3.50%	2.26%
Interstate Switched		9.39%	7.44%
Interstate Special		-4.00%	-0.95%
Miscellaneous		3.67%	-0.47%

TOTAL OUTPUT

4.02% 4.07%

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COMPARE2.WK4

TFPRP- Rev=Cost

Rev = Cost

TFPRP-7	1988	1989	1990
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TFP AND X FACTOR

Rev = Cost

	1988	1989	1990
TFP Growth		1.42%	4.20%
US TFP Growth		-0.26%	-0.21%
TFP Differential		1.68%	4.41%

Input Price Growth		-1.68%	1.13%
US Input Price Growth		4.14%	4.22%
Input Price Differential		-5.82%	-3.09%

X Factor		7.50%	7.51%
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Summary

	1988-94	1988-94	1988-94
	Rev = Cost	TFPRP-7	Difference
Total Output	3.4%	3.4%	0.0%
Total Input	0.3%	0.7%	-0.4%
LEC TFP	3.1%	2.8%	0.4%
TFP Differential	2.9%	2.6%	0.4%
LEC Input Price	1.6%	2.9%	-1.3%
Input Price Differential	-2.2%	-0.9%	-1.3%
X Factor	5.1%	3.5%	1.6%

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COMPARE2.WK4

TFPRP- Rev=Cost**Rev = Cost**

TFPRP-7	1991	1992	1993	1994	Avg 88-94	Avg 89-94
<u>Cost</u>						
Capital	24,641,357,000	26,477,138,000	26,858,104,000	26,303,835,000		
Labor	19,576,237,000	19,862,205,000	21,027,726,000	21,625,328,000		
MRS	17,825,034,000	17,013,535,000	17,551,114,000	19,286,027,000		
TOTAL	62,042,628,000	63,352,878,000	65,436,944,000	67,215,190,000		
	1.37%	2.09%	3.24%	2.68%	1.9%	2.1%
<u>Average of Shares</u>						
Capital	40.76%	40.75%	41.42%	40.09%		
Labor	31.30%	31.45%	31.74%	32.15%		
MRS	27.94%	27.79%	26.84%	27.76%		
	1.00	1.00	1.00	1.00		
<u>Quantity Growth</u>						
Capital	2.73%	2.40%	2.28%	2.21%	2.6%	2.4%
Labor	-5.11%	-4.18%	-2.28%	-5.26%	-3.6%	-3.9%
MRS	3.08%	-7.78%	0.18%	6.73%	1.2%	0.2%
 Total Input Quantity	 0.37%	 -2.50%	 0.27%	 1.06%	 0.3%	 -0.2%
<u>Price Growth</u>						
Capital	-6.48%	4.79%	-0.85%	-4.29%	-3.0%	-2.0%
Labor	8.11%	5.64%	7.98%	8.06%	6.0%	6.8%
MRS	3.95%	3.13%	2.93%	2.69%	3.6%	3.4%
 Total Input Price	 1.00%	 4.59%	 2.97%	 1.62%	 1.6%	 2.3%

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COMPARE2.WK4

TFPRP- Rev=Cost**Rev = Cost**

	1991	1992	1993	1994	Avg 88-94	Avg 89-94
TFPRP-7						
OUTPUT						

TFPRP-7

	1991	1992	1993	1994	Avg 88-94	Avg 89-94
BOOKED REVENUES						

Local	32,059,008,000	33,359,990,000	34,598,957,000	35,758,637,000		
Intrastate Access	4,456,237,000	4,506,685,000	4,647,675,000	4,829,192,000		
Toll	10,066,039,000	9,718,496,000	9,849,156,000	9,526,791,000		
Interstate End User	4,828,177,000	4,963,262,000	5,244,094,000	5,589,662,000		
Interstate Switched	8,514,130,000	8,650,880,000	8,999,065,000	9,293,783,000		
Interstate Special	2,119,037,000	2,153,565,000	2,097,997,000	2,217,125,000		
Miscellaneous	6,620,988,000	6,320,326,000	6,642,605,000	6,934,465,000		
Total	68,663,616,000	69,673,204,000	72,079,549,000	74,149,655,000		
Less Misc	62,042,628,000	63,352,878,000	65,436,944,000	67,215,190,000		

Average of Shares

Local	0.460	0.473	0.479	0.481		
Intrastate Access	0.065	0.065	0.065	0.065		
Toll	0.151	0.143	0.138	0.133		
Interstate End User	0.070	0.071	0.072	0.074		
Interstate Switched	0.126	0.124	0.125	0.125		
Interstate Special	0.032	0.031	0.030	0.030		
Miscellaneous	0.096	0.094	0.091	0.093		
Total	1.000	1.000	1.000	1.000		

Price Indexes

Local	0.9510	0.9486	0.9468	0.9377		
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TFPRP- Rev=Cost**Rev = Cost**

TFPRP-7	1991	1992	1993	1994	Avg 88-94	Avg 89-94
Intrastate Access	0.9271	0.9067	0.8803	0.8459		
Toll	0.9350	0.9189	0.9031	0.8881		
Interstate End User	1.2231	1.2385	1.2709	1.3183		
Interstate Switched	0.7060	0.6772	0.6698	0.6433		
Interstate Special	0.9377	0.9342	0.8759	0.8252		
Miscellaneous	1.1364	1.1724	1.2073	1.2403		

Quantity Indexes

Local	33,710,422,750	35,167,375,149	36,544,718,363	38,132,592,619		
Intrastate Access	4,806,863,797	4,970,319,217	5,279,686,004	5,709,090,537		
Toll	10,765,649,199	10,576,012,678	10,905,440,640	10,726,925,634		
Interstate End User	3,947,505,177	4,007,359,897	4,126,384,431	4,239,915,072		
Interstate Switched	12,059,934,439	12,773,568,984	13,434,635,676	14,446,356,006		
Interstate Special	2,259,767,067	2,305,143,388	2,395,280,188	2,686,724,569		
Miscellaneous	5,826,469,440	5,390,751,899	5,501,982,388	5,591,139,319		

Quantity Growth

	1991	1992	1993	1994	Avg 88-94	Avg 89-94
Local	3.94%	4.23%	3.84%	4.25%	4.4%	4.3%
Intrastate Access	6.40%	3.34%	6.04%	7.82%	4.6%	5.6%
Toll	-1.68%	-1.78%	3.07%	-1.65%	0.1%	0.0%
Interstate End User	3.34%	1.50%	2.93%	2.71%	2.7%	2.5%
Interstate Switched	5.33%	5.75%	5.05%	7.26%	6.7%	6.2%
Interstate Special	-6.73%	1.99%	3.84%	11.48%	0.9%	1.9%
Miscellaneous	-1.54%	-7.77%	2.04%	1.61%	-0.4%	-1.2%
TOTAL OUTPUT	2.52%	2.12%	3.80%	3.93%	3.4%	3.3%

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COMPARE2.WK4

TFPRP- Rev=Cost**Rev = Cost**

TFPRP-7	1991	1992	1993	1994	Avg 88-94	Avg 89-94
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TFP AND X FACTOR**Rev = Cost**

	1991	1992	1993	1994	Avg 88-94	Avg 89-94
TFP Growth	2.14%	4.62%	3.53%	2.87%	3.1%	3.5%
US TFP Growth	-1.04%	1.49%	0.62%	0.60%	0.2%	0.3%
TFP Differential	3.18%	3.13%	2.91%	2.27%	2.9%	3.2%

Input Price Growth	1.00%	4.59%	2.97%	1.62%	1.6%	2.3%
US Input Price Growth	2.91%	4.61%	3.55%	3.29%	3.8%	3.7%
Input Price Differential	-1.91%	-0.02%	-0.58%	-1.67%	-2.2%	-1.5%

X Factor	5.10%	3.15%	3.49%	3.94%	5.1%	4.6%
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Summary**1989-94****1989-94****1989-94****Rev = Cost****TFPRP-7****Difference**

Total Output	3.3%	3.3%	0.0%
Total Input	-0.2%	0.2%	-0.4%
LEC TFP	3.5%	3.1%	0.4%
TFP Differential	3.2%	2.8%	0.4%
LEC Input Price	2.3%	4.0%	-1.8%
Input Price Differential	-1.5%	0.3%	-1.8%
X Factor	4.6%	2.4%	2.2%

TAB E

LABOR INPUT

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COMPARE2.WK4

TFPRP- Rev=Cost

Labor Input

TFPRP-7	1988	1989	1990
<u>Cost</u>			
Capital	26,866,208,000	25,845,853,000	25,584,541,000
Labor	18,669,882,000	18,647,357,000	18,998,366,000
MRS	14,492,320,000	16,093,355,000	16,614,863,000
TOTAL	60,028,410,000	60,586,565,000	61,197,770,000
		0.93%	1.00%

Average of Shares

Capital	43.71%	42.23%
Labor	30.94%	30.91%
MRS	25.35%	26.86%
	1.00	1.00

Quantity Growth

Capital	3.80%	2.36%
Labor	-1.33%	-3.94%
MRS	6.08%	-1.25%

Total Input Quantity 2.79% -0.55%

Price Growth

Capital	-7.68%	-3.38%
Labor	1.20%	5.80%
MRS	4.40%	4.43%

Total Input Price -1.87% 1.56%

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COMPARE2.WK4

TFPRP- Rev=Cost

Labor Input

TFPRP-7 1988 1989 1990

OUTPUT

TFPRP-7

BOOKED REVENUES 1988 1989 1990

Local 29,226,988,000 29,973,157,000 30,699,085,000

Intrastate Access 4,326,751,000 4,318,962,000 4,436,737,000

Toll 10,668,223,000 10,549,257,000 10,577,992,000

Interstate End User 3,604,221,000 4,398,692,000 4,679,142,000

Interstate Switched 9,662,529,000 9,092,575,000 8,595,750,000

Interstate Special 2,539,698,000 2,253,922,000 2,209,064,000

Miscellaneous 5,730,338,000 6,211,748,000 6,463,212,000

Total 65,758,748,000 66,798,313,000 67,660,982,000

Less Misc 60,028,410,000 60,586,565,000 61,197,770,000

Average of Shares

Local 0.447 0.451

Intrastate Access 0.065 0.065

Toll 0.160 0.157

Interstate End User 0.060 0.068

Interstate Switched 0.142 0.132

Interstate Special 0.036 0.033

Miscellaneous 0.090 0.094

Total 1.000 1.000

Price Indexes

Local 1.0000 0.9754 0.9472